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**GEO-SCIENTIFIC
PROSPECTORS
LIMITED**

**ANNUAL
REPORT**

1959

GEO-SCIENTIFIC PROSPECTORS LIMITED

DIRECTORS

SIR MICHAEL BUTLER, Bt., *Toronto, Ont.*
G. A. DOE, *Toronto, Ontario*
J. C. FRANTZ, *Toronto, Ontario*
N. B. KEEVIL, *Lorne Park, Ontario*
J. H. WESTELL, *Toronto, Ontario*

OFFICERS

N. B. KEEVIL, *President*
D. S. BROWN, *Secretary-Treasurer*

CONSULTANTS

Geophysical Engineering &
Surveys Limited

HEAD OFFICE

Suite 1000, 11 Adelaide Street West
Toronto, Ontario

TRANSFER AGENTS

Chartered Trust Company
Toronto, Ontario
Registrar & Transfer Company
Jersey City, N.J.

AUDITORS

McDonald, Currie & Co.
Chartered Accountants

ANNUAL MEETING

June 17, 1960, 10:30 a.m. (Eastern
Daylight Saving Time)
11th Floor, Board of Trade Building
11 Adelaide Street West
Toronto, Ontario



DIRECTORS' Report to the Shareholders:

The Directors are pleased to submit herewith their report for the fiscal year ended December 31, 1959 together with financial statements and auditors' report.

The Company has continued to study promising mining situations and has broadened its interests through the completion of the purchase of 170,000 shares of The Teck-Hughes Gold Mines, Limited. The Company holds 1,060,000 shares of Inmont Copper Mines Limited representing the controlling block in that company, and also 250,500 preference shares of Mining Geophysics Company Limited which represents half of the preference shares authorized and issued by that company. In addition, the Company has retained 550,000 shares of Temagami Mining Co. Limited. The Company also loaned \$250,000 to Temagami Mining Co. Limited during the year, of which \$175,000 has been repaid and the balance is expected to be repaid during the current year.

Exploration work was continued and properties submitted for examination were reviewed by the Company's consultants. Activity was centered in the Temagami, South Lorrain and North Caribou Lakes areas of Ontario.

A limited diamond drilling program in South Lorrain Township intersected low silver values and favourable structure. Further diamond drilling is planned to follow up these indications. Diamond drilling of a copper showing in the Temagami area did not locate commercial values but further work is planned in this area.

Surface work and possibly diamond drilling are proposed to check electromagnetic anomalies outlined by a geophysical survey made subsequent to December 31, 1959 on a group of claims held under option in the North Caribou Lake area.

On behalf of the Board,
"N. B. KEEVIL"
President.

Toronto, Ontario,
May 18, 1960.

GEO-SCIENTIFIC PROSPECTING LTD.

(Incorporated under the laws of Ontario)

BALANCE SHEET AS AT DECEMBER 31, 1959

ASSETS

CURRENT ASSETS:

Cash	8,406
Accounts receivable	12,700
Loan to an affiliated company	250,000

271,106

INVESTMENT IN SHARES — at cost

(Per schedule attached)	1,238,735
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UNPATENTED MINING CLAIMS (Note 1)	156,682
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NOTES:

- (1) The amount shown for unpatented mining claims represents costs to date and is not intended to reflect present or future values.
- (2) Subsequent to December 31, 1959 the company issued 50,000 treasury shares for cash of \$35,000.

\$1,666,523

AUDITORS' REPORT

We have examined the balance sheet of Geo-Scientific Prospecting Ltd. and the statement of profit and loss and statement of changes in financial position for the year ended December 31, 1959, and such tests of accounting records and other supporting evidence as were necessary.

In our opinion, the accompanying balance sheet and statements of profit and loss and statement of changes in financial position of the company as at December 31, 1959 and the results arrived at by the application of generally accepted accounting principles applied on a basis consistent with those adopted in the preparation of the preceding financial statements, fairly represent the financial position of the company as at December 31, 1959 and the results of its operations for the year then ended.

TORONTO, May 27, 1960.

SPECTORS LIMITED

(laws of Ontario)

DECEMBER 31, 1959

LIABILITIES

CURRENT LIABILITIES:

Bank loan (secured)	250,000
Accounts payable and accrued liabilities	5,887
	255,887

CAPITAL STOCK AND SURPLUS:

Capital stock — (Note 2)	
Authorized —	
3,000,000 shares of no par value	
Issued and fully paid —	
1,678,005 shares	1,179,998
Surplus arising in a prior year from donation of securities	2,500
Earned surplus —	
Profit on securities sold during the year	364,418
Deferred expenditure written off	136,280
	228,138
	1,410,636

Approved on behalf of the Board:

N. B. KEEVIL, Director.

R. MICHAEL BUTLER, Director.

\$1,666,523

THE SHAREHOLDERS

Limited as at December 31, 1959 and the statement of exploration, examination included a general review of the accounting procedures considered necessary in the circumstances.

Exploration, development and administrative expenses present fairly the Company's operations for the year ended on that date, in accordance with those of the preceding year.

McDONALD, CURRIE & CO.,
Chartered Accountants.

GEO-SCIENTIFIC PROSPECTORS LIMITED

STATEMENT OF EXPLORATION, DEVELOPMENT AND ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED DECEMBER 31, 1959

BALANCE — DECEMBER 31, 1958	99,787
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EXPLORATION AND DEVELOPMENT:

Cost of mining claims and other participations abandoned or terminated during the year	15,950
Geophysical surveys and other participations	4,235
Diamond drilling	5,656
Licences, fees and taxes	850
Staking recording and prospecting	1,384
Engineer's salary	1,500
Sundry	88
	29,663

ADMINISTRATIVE:

Advertising	119
Office services, rental and sundry expenses	4,961
Legal	2,250
Audit	600
Registrar and transfer agents' fees	888
Meetings and reports	368
Listing fees	100
Bank charges	85
Consultant's fees	1,940
Stock transfer tax	537
Capital and place of business tax	50
Filing fees	30
Sundry	451
Leasehold improvements refund	(2,855)
Incorporation and organization expenses written off	2,870
	12,394

Less:

Interest income	7,212
Dividend income	17,000
	24,212
Less: Interest expense	18,648
	5,564
	6,830
	36,493
Amount written off to earned surplus	136,280
	136,280

BALANCE — DECEMBER 31, 1959	—
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GEO-SCIENTIFIC PROSPECTORS LIMITED

INVESTMENT IN SHARES DECEMBER 31, 1959

	Number of shares	Cost	Market
Holdings in companies which have no quoted values or of which transfer is restricted —			
Mining Geophysics Company Limited —			
5% non-cumulative preference shares with a par value of \$10 each	250,500	230,255	—
Inmont Copper Mines Limited — (Escrowed shares)	800,500	50,050	—
Suite One Thousand Limited —			
6½% non-cumulative preference shares with a par value of \$10 each	72	720	—
		281,025
Holdings in companies transfer of which is not restricted —			
Abex Mines Limited	6,250	625	125
Inmont Copper Mines Limited	259,500	40,150	10,380
Jamaican Mining Limited	150,000	45,000	12,000
The Teck-Hughes Gold Mines, Limited	170,000	461,000	280,500
Temagami Mining Co. Limited	550,000	410,935	1,111,000
	957,710		\$1,414,005
		\$1,238,735	

NOTE:

The market values of shares are presented in compliance with the requirements of The Corporations Act, 1953 and are based upon market prices prevailing at December 31, 1959. Because of the number of shares involved, the market values of certain securities are not indicative of the amounts that could be realized if the securities were sold.

